

Performance Specifications VS. Technical Data Packages

Presented by :

**Marta Tomkiw- Team Leader,
Blueprint for Change**

**Susan Budrys- Acquisition Center,
Chief of Tactical Vehicle
Construction Equipment**

27, 1998

What is a Performance Spec?

- Form, Fit, Function and interface
 - Users needs
 - Interfaces
 - Supportability
 - Operating environment
- Criteria to verify compliance

Oct 27, 1998

What makes up a TDP

- Drawings (and associated lists)
 - Conceptual
 - Developmental
 - Product
 - Commercial
- Special inspection equipment drawings
- Specifications
- Software documentation
- Verification requirements (QA)
- Packaging data

Oct 27, 1998

Detail Requirements Example

- The surface treatment of exposed aluminum shall be chemical film per MIL-C-5541 or cadmium plate followed by clear irridite or dichromate and finished with one coat of epoxy paint primer and one coat gray epoxy paint, color 36440 per FED-STD-595.
-
- The hose shall be non-metallic, single fabric braid reinforcement with an oil and mildew resistant textile braid cover. It shall be compatible with fuel, oil, air and water, and shall withstand pressures up to 200 PSI.
-
- The 5.56 mm cartridge shall not release more than one bubble of air when subjected to a positive internal pressure of 7.5 pounds per square inch for 30 seconds minimum. The pressure indicator shall be subjected to a temperature of $85' \pm 5' \text{C}$ for 2 hours then the face of the cover glass shall be immediately immersed in an ice bath for 3 minutes. There shall be no evidence of moisture or oil fog inside the cover glass.

Oct 27, 1998

Performance Requirement

Example

The sight glass assembly shall be constructed of materials of the contractor's choosing, provided the materials meet all of the operational and environmental criteria specified herein. Dissimilar metals should not be used in contact with each other. Where such contact is unavoidable, the metal shall be protected against galvanic corrosion.

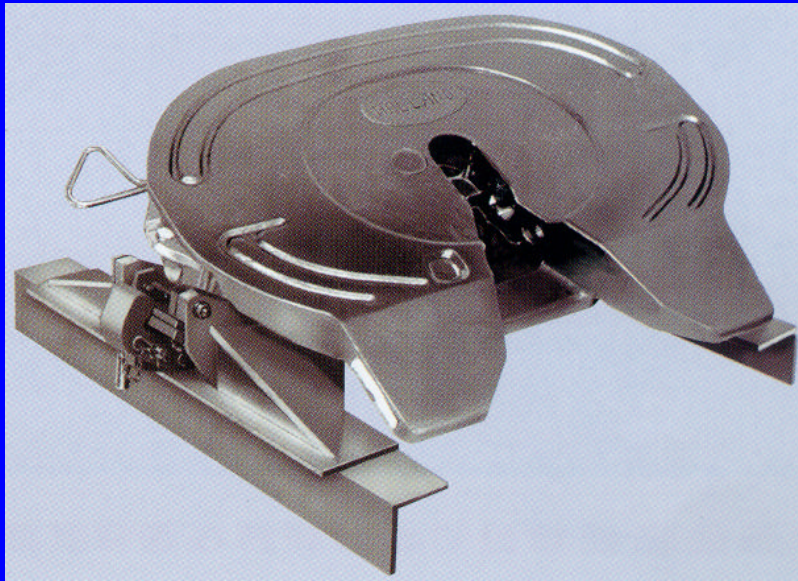
The heater shall operate on 24 to 28 volt DC current and shall not exceed 15 amps at 28 volts.

The Smoke Generator set shall have a mean time between operation mission failures of 50 hours with an 80% confidence level.

The weight of the actuator shall be no greater than 4 pounds.

-

Fifth Wheel Assembly



- Manufacturer of the existing fifth wheel is no longer in the fifth wheel business!
- Market research has identified three new fifth wheel suppliers.

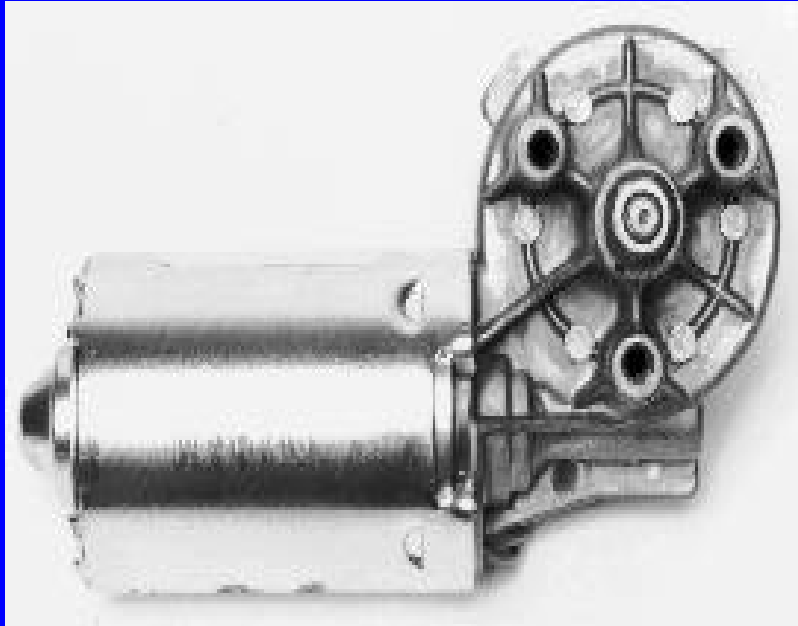
Oct 27, 1998

Benefits to this conversion:

- Anticipated 11% reduction in price
- Industry common and readily available
- No modification to the truck chassis
- Can be used on 95% of the Army's semi trailers
- Can be used on other military trucks (FMTV)
-
-
-

Oct 27, 1998

Pneumatic Wiper Motor Wiper Control Valve



- Pneumatic wiper system is ranked number 20 in the Top 40 cost drivers of class IX consumables
- Manufacturer has discontinued production
- Current design is obsolete
- Has not been used in the automotive industry since the 1950's

Additional research has identified:

- Two new design alternatives
 - Electric (7 manufacturers for the motor)
(4 manufacturers for the switches)
 - Hydraulic (also considered obsolete)
- Electric motor specification already exists
- Test requirements for an electric motor system are available through SAE, UL and NEMA.
- Modernization of design will result in only minor modifications.
 - New Power source
 - Cap existing pneumatic supply

Oct 27, 1998

•

Benefits to this conversion:

- Anticipated 45 % reduction in price
- Lower operation & support costs
- Improved performance and reliability
 - Electric motor will result in 35% more torque
 - Variable speed and auto park
 - Electric motor operation is quieter
- Electric wiper system parts are industry common thus readily available.

•

Oct 27, 1998

- Conversion can theoretically be implemented in most cases.
-
- Problem items are prime candidates
-
- Logistics and technical criteria are used as identifiers.
-

**Performance Based
Scopes Of Work
Change The Way We Buy.**

Oct 27, 1998

Award Decision

- Not Based on Low Price Alone.
-
- Contracting Options:
 - Technically Acceptable/Low Price
 - Best Value Source Selection

Technically Acceptable/ Low Price

- Appropriate If Requirement Isn't Complex.
-
- Technical and Performance Risks Minimal.
-
- Requirements Well Defined But Discussions May Be Necessary.

Best Value-What Is It?

- A Process Used in Competitive Negotiated Procurements.
-
- Evaluates and Compares Factors In Addition To Cost Or Price.
-
- Selects The Most Advantageous Offer.

Oct 27, 1998

When Do We Use Best Value?

When Measurable Differences Are Expected In the Design,
Performance, Quality, Reliability, Or Supportability of the
Proposed Item;

Or

When Differences Are Likely In The Capability/Risk
of Performance of the Offerors;

And

When The Differences Are Worth Paying For!

Oct 27, 1998

Best Value-What It Isn't?

- Authority To Pay Any Price.
-
- Basis To Select Any Offeror You Want:
 - Must Follow The Criteria And Relative Weights Established in the RFP.
 - Must Be Supportable.

Evaluation Factors

- Are Structured To Reflect The Government's Need.
-
- Are Limited To Areas Which Will Reveal Significant Differences Or Risk Levels Among Competing Offers.
-
- Are Developed Specifically For Each Acquisition.

Oct 27, 1998

Examples of Non-Price Areas Evaluated

- Technical Approach
- Performance
- Reliability
- Maintainability
- Life Cycle Costs
- Logistics Support
- Past Performance
- Small Business Participation

Oct 27, 1998

Relative Importance Areas/Elements/Factors

- Significantly More Important
-
- More Important
-
- Approximately Equal

Price

- Always An Evaluation Factor
- More Significant As Evaluation Of The Non-Price Areas Become Closer.
- May Be The Controlling Factor:
 - Where 2 Or More Proposals Are Considered Equal.
 - When A Superior Proposal Is Unaffordable.
 - When Advantages Of A Higher Rated, Higher Priced Proposal Are Not Considered Worth The Price Premium.

Past Performance

- Required To Evaluate Past Performance On All Buys Over \$100,000.
- Makes Sense Not To Award To A Contractor That We Don't Think Will Successfully Perform The Contract.
- Puts Emphasis On Doing Good Work Rather Than Writing Good Proposals.
- Allows Us To Reward Good Performers.

Past Performance Evaluation Process

- Offeror Identifies Recent And Relevant Contracts.
- Government Evaluators Collect Independent Information From Historical Contract Administration Sources.
- We Review The Prime and Major Subcontractors' Performance.

Small Business Participation

- Required To Be Evaluated Whenever The Small Business Clause(s) Are In the RFP And We Evaluate Past Performance.
- We Evaluate Your Proposed Small Business Plan.
- We Evaluate Your Small Business Subcontracting Performance Over The Past 3 Years.
-

Oct 27, 1998

The Best Value Decision

- Is A Reasonable Business Judgement of the SSA;
- Based On a Comparative Analysis Of The Proposals;
- Must Be Consistent With The Stated Evaluation Criteria;
- Must Reflect Whether Or Not Perceived Benefits Are Worth The Price Premium;
- Is Subjective-But Must Include Objective Analysis Where Appropriate.

Oct 27, 1998

Other Acquisition Reform Initiatives

- Commercial Item Solicitation (FAR Part 12)
- Oral Proposals
- Long Term Contracts
- Partnering
- Alpha Contracting (Sole Source Contracts)
- Cost As An Independent Variable (CAIV)
-

Oct 27, 1998